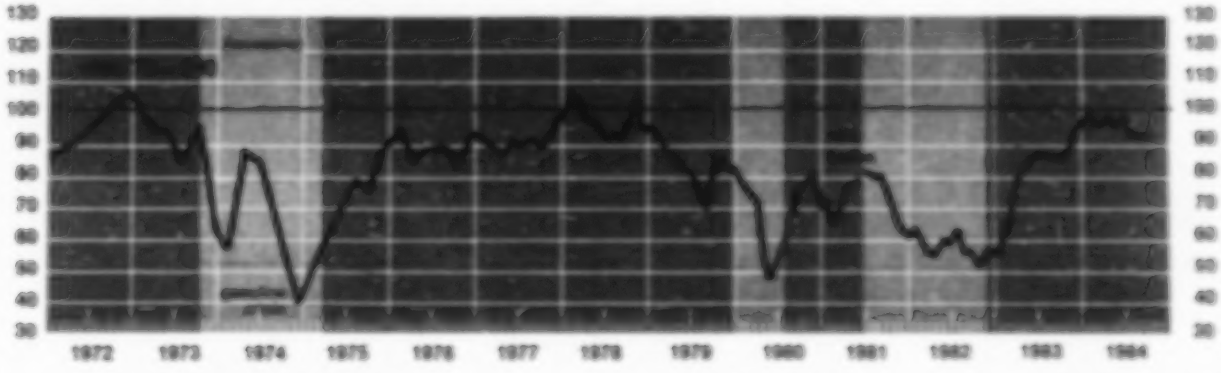
B25 - R4105-4

Consumer Attitudes and Buying Plans

A Monthly Report from The Conference Board
Based on a Survey Conducted by NFO Research, Inc.

Consumer Confidence Index

October, 1984



CONSUMERS OPTIMISTIC PLANS TO BUY SOFTEN

The consumers' spirits remain high. The Board's Consumer Confidence Index (1969-70 = 100) registered 90.4 in September, down a relatively modest 1.5 points from the preceding month. Consumer confidence has remained at a fairly constant level for the past three months. However, buying, which had registered a small gain in August, declined in September—largely because of fewer plans to buy a car, perhaps a result of the GM strike.

Consumers continue to be optimistic in their assessment of the ongoing situation. However, there appears to be some growing concern about the employment situation.

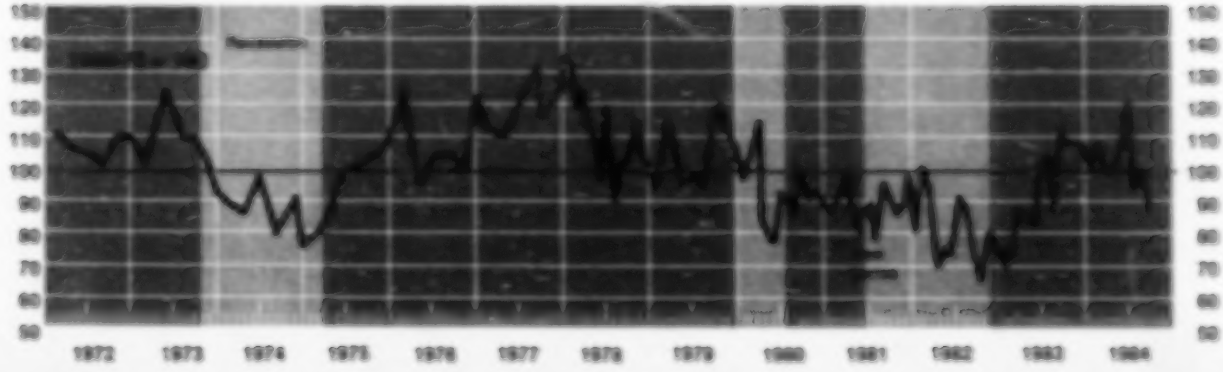
In looking ahead to the next six months, expectations are less positive than a month ago. Slightly more people fear that business conditions may worsen, and slightly more fear that jobs may grow sparser. Also, fewer persons than previously now expect their income will rise over the next six months. Still, on all of these issues, optimists outnumber pessimists by a large margin.

Intentions to make a major purchase in the next months are down. The biggest loss was registered in automobiles. Only 6.8% of all respondents said they would buy a car in the next six months, down from a sturdy 8.5% in the preceding month. It is likely that some consumers put off their plans to buy during the GM strike. Plans to purchase a home were indicated by 3.2% of respondents, which is about the same figure as last time. Interest in major appliances has edged off marginally.

The consumers' mood continues to be reassuring. The fairly steady but still relatively moderate decline in confidence experienced during the first half of the year paralleled the quieting in the pace of economic growth. Over the last three months, the consumers' spirits have remained constant. There is a high degree of acceptance of the current situation and consumers remain optimistic in their expectations. Overall, the readings strongly suggest that business will remain prosperous through the rest of this year. Certainly, there are few signs from the consumers that give any credibility to the fear that a new recession may be imminent.

Fabian Linden

Buying Plans Index



All data seasonally adjusted

Consumer Expectations and Intentions

Based on surveys conducted by NFO Research, Inc.

Percentage of all households = 100%

All series seasonally adjusted	1983 Sept.	Oct.	Nov.	Dec.	1984 Jan.	Feb.	Mar.	Apr.	May	Jun.	July	Aug.(r)	Sept.(p)
Composite Series: Index Numbers, 1969-1970 = 100													
Consumer Confidence Index	84.8	85.7	90.2	95.1	98.4	95.7	94.5	97.9	95.2	97.1	91.0	91.9	90.4
Present Situation	43.1	44.0	51.1	57.9	63.2	67.2	69.0	73.1	75.0	83.0	77.5	78.7	79.1
Expectations	112.6	113.5	116.2	119.9	121.9	114.6	111.5	114.4	108.6	106.5	100.0	100.6	97.9
Buying Plans Index	113.5	109.9	108.9	108.5	101.4	108.0	103.9	99.4	105.1	121.6	94.5	100.6	89.6
Business Conditions													
Good	18.3	19.4	20.2	23.9	24.7	25.5	25.4	26.9	26.6	26.8	27.0	27.6	28.4
Bad	31.0	30.8	27.5	23.9	21.8	23.0	20.4	19.9	19.8	18.2	19.8	19.9	19.5
Normal	50.7	49.8	52.3	52.2	53.5	51.5	54.2	53.2	53.6	55.0	53.2	52.5	52.1
Employment													
Jobs plentiful	7.7	7.4	9.5	9.8	11.4	14.0	13.1	15.3	15.6	19.1	17.3	18.1	17.6
Jobs not so plentiful	48.5	49.3	50.4	51.2	50.4	49.6	51.9	48.9	51.2	50.7	49.9	49.0	49.3
Jobs hard to get	43.3	40.1	39.0	38.2	36.4	35.0	35.8	33.2	30.2	32.8	32.8	32.9	33.1
Expectations for Six Months Hence: Percent													
Business Conditions													
Better	30.1	30.1	31.2	32.8	33.1	28.7	26.4	27.4	22.3	23.3	22.2	22.8	22.5
Worse	6.8	6.7	6.1	5.2	3.9	5.8	6.1	5.8	6.9	7.6	8.7	9.0	9.6
Same	63.1	63.2	62.7	62.0	63.0	65.5	67.5	66.8	70.8	69.1	69.1	68.2	67.9
Employment													
More jobs	24.5	24.8	25.6	25.9	25.7	21.4	20.6	20.2	17.8	17.1	16.5	16.7	15.9
Fewer jobs	13.1	13.8	11.9	10.6	10.6	11.9	12.1	11.4	12.2	13.3	15.8	15.2	16.3
Same	62.4	61.4	62.5	63.5	63.7	66.7	67.3	68.4	70.0	69.6	67.7	68.1	67.8
Income													
Increase	28.3	31.1	28.3	31.1	32.4	27.3	26.1	30.6	27.6	29.3	29.5	28.2	26.5
Decrease	8.6	7.6	7.8	7.7	7.3	6.3	7.2	6.8	6.2	6.1	7.6	7.5	7.1
Same	63.1	61.3	63.9	61.2	60.3	66.4	66.7	62.6	66.2	64.6	62.9	64.3	66.4
Plans to Buy Within Six Months: Percent													
Automobile													
Yes	9.1	9.0	9.3	8.7	8.4	8.8	8.8	8.5	8.2	10.0	7.8	8.5	6.8
New	5.1	5.3	5.1	4.9	5.1	4.9	4.7	3.9	4.3	5.1	4.6	4.8	3.6
Used	3.6	3.3	3.4	3.3	2.5	3.4	3.0	3.0	3.2	3.3	2.5	2.8	2.1
Uncertain	0.4	0.4	0.8	0.5	0.8	0.5	1.1	1.6	0.7	1.6	0.7	0.9	1.1
Home													
Yes	3.6	3.6	3.6	3.6	3.4	3.8	3.3	3.1	3.7	3.8	3.0	3.3	3.2
New	1.3	1.0	1.2	1.2	1.0	0.9	0.8	0.9	1.0	1.3	1.0	0.9	1.0
Lived in	1.7	1.9	1.6	1.5	1.4	2.0	1.6	1.4	1.7	1.6	1.3	1.6	1.4
Uncertain	0.8	0.7	0.8	0.9	1.0	0.9	0.9	0.8	1.0	0.9	0.7	0.8	0.8
Major appliances													
Total plans	30.6	29.2	26.5	29.8	26.7	27.3	27.4	26.9	27.1	33.5	25.3	26.5	24.6
Refrigerator	4.1	3.4	3.5	3.7	3.2	3.6	3.6	3.7	3.9	5.0	4.1	4.0	3.8
Washing machine	4.0	3.3	3.6	3.6	3.4	4.0	3.8	3.2	3.6	4.0	2.8	3.4	3.2
Black and white TV	1.1	1.0	0.7	1.2	0.9	0.8	0.9	1.1	0.8	1.3	0.8	0.7	0.6
Color TV	8.2	8.0	7.5	8.2	7.8	7.0	7.5	7.7	7.0	8.4	6.1	7.7	6.9
Vacuum Cleaner	5.2	5.6	4.4	5.2	4.1	4.8	4.1	4.8	4.2	6.0	5.1	4.0	4.0
Range	2.6	2.6	2.4	2.7	2.6	2.6	2.9	2.3	2.4	3.0	2.3	2.6	2.6
Clothes dryer	3.1	3.1	2.7	3.3	2.8	2.9	2.6	2.7	3.2	3.3	2.7	3.0	2.5
Air conditioner	2.3	2.2	1.7	1.9	1.9	1.6	2.0	1.4	2.0	2.5	1.4	1.1	1.0
Carpet	8.2	7.1	8.1	7.4	6.5	7.3	7.2	5.9	6.8	8.5	6.2	6.9	6.3
Vacation Intended Within Six Months: Percent													
Vacation Intended		49.8		48.5		45.8		46.9		49.4		49.0	
Destination													
Home state		10.5		10.3		8.8		8.7		9.9		9.5	
Other state		33.5		33.4		32.0		32.8		34.9		33.7	
Foreign country		7.0		6.5		6.2		7.6		6.7		7.5	
Means of Travel													
Automobile		31.3		30.4		29.9		29.8		33.0		31.3	
Airplane		17.1		17.9		15.4		18.6		17.6		17.3	
Other		4.1		3.6		3.5		3.8		3.9		4.6	

New Series: Beginning May, 1981 the NFO sample includes all types of households, prior to that families only. To link results overlapping surveys were conducted for four months commencing with May. Data are available on request. (p)—preliminary (r)—revised

Please Note: In the interest of speeding the data contained in this publication to you, these series are now available on-line through The Conference Board Data Base. For more information, contact Linette Stein Waters at (212) 759-0900.